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July 26, 2002

VIA FEDERAL EXPRESS & E-MAIL

Mary L. Cottrell, Secretary
Department of Telecommunications & Energy
Commonwealth of Massachusetts
One South Station, Second Floor
Boston, MA 02110

Re: D.T.E. 01-20

Dear Ms. Cottrell:

Allegiance Telecom of Massachusetts, Inc. and Conversent Communications of Massachusetts, LLC (collectively the "CLEC Coalition"), by their attorneys, hereby submits its Reply Comments to Verizon's proposal that was submitted on July 25, 2002 in D.T.E. 01-20 regarding extension of the compliance filing and effective dates of the compliance filing.

Verizon proposes to true up its rates to the levels set forth in the new tariff filed on September 9, 2002, back to August 5, 2002. Verizon states that, "Under this timeframe, CLECs will not be harmed in any way because they will effectively pay the new rates as of August 5, 2002, and, at the same time, Verizon MA will be allowed the necessary time to complete the substantial work required by the Department's order."

The CLEC Coalition does not support this proposal as it applies to the retroactive application of coordinated hot cut charges back to August 5, 2002, even if no alternative to the hot cut process exists as of August 5, as the Department mandated. In particular, in its July 11, 2002 Order, the Department acknowledged that even with the modifications it requires to Verizon's Nonrecurring Cost Model, Verizon's coordinated hot cut charges will likely significantly exceed the \$35.00 charge that currently prevails in certain other Verizon jurisdictions.¹ Therefore, CLECs are concerned that these rates may drastically increase. In an effort to mitigate the impact of these new rates, however, the Department directed Verizon to establish a less costly process as an alternative to the hot cut process.²

¹ Order at 465.

² Order at 465-66.

Thus, if Verizon is permitted to extend its compliance filing to September 9, 2002, which includes offering a less costly process, and the DTE makes the rates retroactive back to August 5, 2002, and because the less costly process will not have been implemented on August 5, CLECs will have to pay the higher a coordinated hot cut rate and will not have the option of a less expensive alternative that will have far lower non-recurring charges. This will undermine the intent of the Department's order to give CLECs the option of selecting a more economical method.

The Department should therefore not permit Verizon's coordinated hot cut rates to go into effect until a less costly alternative is available and fully operational. Prior to that time, the Department should only allow Verizon to assess the charges for the less costly process for hot cut conversions. Importantly, if Verizon cannot fully implement a less expensive alternative when its eventual compliance filing is made, it should not be permitted to assess hot cut conversion rates until a less costly process is a fully available working option.

Very truly yours,

Eric J. Branfman
Philip J. Macres

cc: DTE 01-20 Service List